

Labour Shortages for the [company name deleted to protect confidentiality]

This year compared to previous years has definitely been the hardest. Each year we find it more and more difficult to fill positions.

Forums and conferences that I have attended in Alice Springs always has recruitment as an agenda topic and how to encourage people to come to Alice Springs but also how to retain them.

People coming from other States need to adjust to our climate but also to adapt to the Indigenous culture of the town.

Any guest speakers from interstate tell us that we need to look at the 'mature' age group as an alternative, as well as the disabled and to broaden our vision to other alternatives. Organizations in the Territory have adopted the saying "as long as they are breathing" we'll take them. That is just how desperate people have become to keep the doors open of their business. Unfortunately taking anyone just to fill the gap is not always an adequate solution as most of the time they are not suitable candidates. Some of our managers have opted to run lean than employ someone that is just not suitable. Again this is not a solution either as burnout becomes an issue.

Positions hardest to fill

The hardest positions to fill are chefs/cooks, then would come trade qualified maintenance/grounds staff. Middle management such as Front Office Managers and Duty Managers are also becoming hard positions to fill. Wait staff and housekeeping positions are generally filled by the backpacker market. Receptionists are also becoming hard to find.

The other obstacle now is the new liquor laws for Alice Springs which require staff that sell takeaway liquor to have a Responsible Service of Alcohol Certificate (RSA). So now even receptionists and supermarket checkout staff require an RSA.

Employment for the Kakadu Region

Kakadu National Park is a little easier to attract staff to as it's seen as more of a short term work destination. Both Kakadu properties are live on site accommodation so the attraction is to make money. Most of the time if we have people wanting to work short term, they are couples. That's fine at the time but when it comes to them leaving you need to replace maybe 2 or 3 positions because they are working across different areas.

Staff Retention – Alice Springs/Kakadu

The Kakadu properties will always be an area where staff retention is a problem because it is a very remote location with limited staff accommodation unless they come with a caravan etc. You also have the wet season where you only require the bare minimum of staff to man the property.

Alice Springs is a very transient town and staff retention has always been an issue. People that come to Alice Springs either love it or hate it. Rental accommodation in Alice Springs is also very expensive.

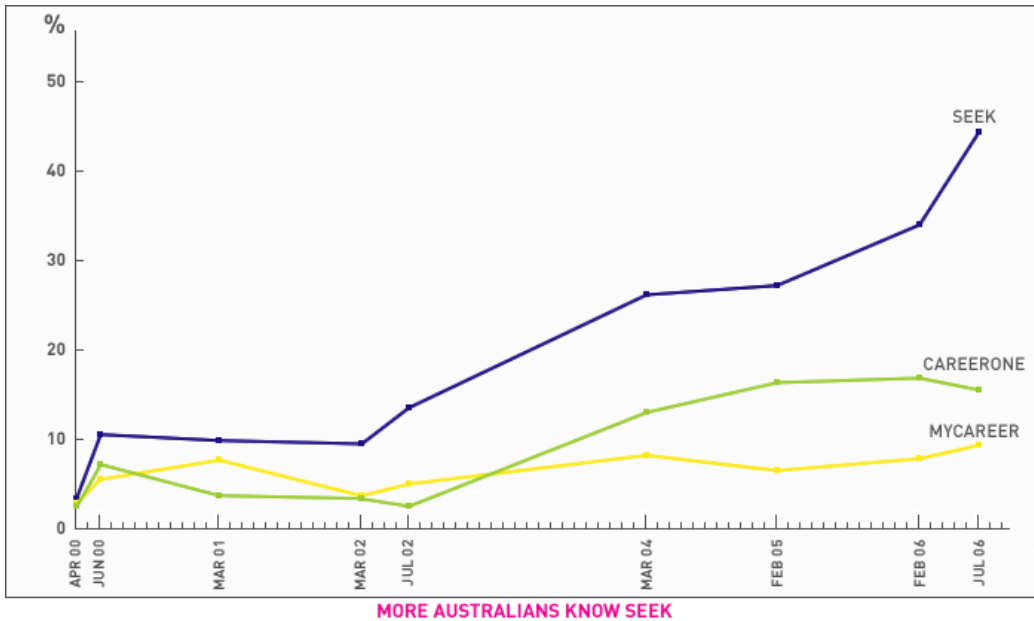
Wage Comparisons

The hospitality/tourism industry in Alice Springs is up against Government wage rates which are a great deal higher. This makes it hard to attract staff to our industry when an employee can do a lesser grade of job and earn a significant amount more.

Advertising Costs

We use the 10 job ad packs from Seek.com when required at a cost of around \$1200.00. The cost advantage here is that the ad stays on the Seek.com site for a period of one month, compared to a one-off ad in a newspaper.

In the past year SEEK's audience has attracted more new users than any Australian job site, attracting an additional 410,000 visitors. SEEK's marketing continues to attract new candidates and recent Newspoll research shows that more than twice as many people think of SEEK.



Sept 18th jobs on Seek.com relevant to our industry

| Job Type | Number listed |
|--------------------------------|---------------|
| Any hospitality & tourism jobs | 5894 |
| Bar/Beverage staff | 574 |
| Chef | 1114 |
| Cook | 160 |
| Front Office | 401 |
| Housekeeping | 150 |
| Waiting Staff | 672 |

Centacare Employment – Alice Springs (Australian Job Search)

We also use Centacare Employment. This is a free service provided by the Government.

Job Listing in Hospitality across Australia as of 18 September 2006

| Job Type | Number listed |
|--|----------------------|
| Bar Attendants | 1493 |
| Chefs/wine makers | 1125 |
| Cooks | 1032 |
| Hotel, Motel, Club and Restaurant Managers | 225 |
| Kitchenhands | 1323 |
| Waiters | 2807 |

Job Listing in Hospitality for Alice Springs as at 18 September 2006

| Job Type | Number Listed |
|--|----------------------|
| Bar Attendants | 10 |
| Chefs and Wine Makers | 10 |
| Cooks | 9 |
| Hotel, Motel, Club and Restaurant Managers | 3 |
| Kitchenhands | 9 |
| Waiters | 41 |

Job Listing in Hospitality for Darwin/Top End as at 18 September 2006

| Job Type | Number Listed |
|--|----------------------|
| Bar Attendants | 16 |
| Chefs and Wine Makers | 13 |
| Cooks | 9 |
| Hotel, Motel, Club and Restaurant Managers | 2 |
| Kitchenhands | 24 |
| Waiters | 11 |

Advertising - Other

Employment Agent - High end jobs such as General Managers, we use specific Recruitment Agencies, which is a costly exercise and not always successful. We have found that we receive more qualified candidates from newspaper advertising or Seek.com.

Local newspapers – depending on the size of the ad placed, the cost ranges from \$35 for a line ad to \$280 for a 2 x 10 display ad in the local Alice Springs paper. For interstate papers we look at starting prices for a small display ad ranging from \$500 to \$900.

So the cost of newspaper advertising is very expensive for a one off ad compared to one month with Seek.com.

Education and Training

The Government says we must change the way we educate and train staff to overcome our skill shortages. How can small companies justify spending a great deal of money on training someone that may not even last the week out and resources are just not available in remote locations.

The problem we have in Alice Springs and Kakadu is the limited training resources. They have minimum number requirements and may only run the course twice per year.

Alice Springs

So far this year, staff I had booked on training could not attend as the course was cancelled due to lack of numbers. So there goes 6 months before the course is run again, maybe, and if the minimum numbers are not met, then the course will not run. A year has now passed for an employee who required specific training to help them carry out their job.

Kakadu

The closest area for training is Jabiru (45 minute drive) or Darwin (3 hour drive). Again minimum numbers are a criteria and courses are usually being cancelled due to lack of numbers.